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The Havana Conference of 1940

BY HOWARD J. TRUEBLOOD

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BY HOWARD J. TRUEBLOOD

Mr. Trueblood prepared the following report after attending the Havana Conference as an observer, and before resigning from the Foreign Policy Association to accept a position with the State Department.

THE Havana conference—known formally as the Second Meeting of Ministers of Foreign Affairs of the American Republics—which met in the Cuban capital from July 21 to 30, 1940, was the second emergency consultation of the Americas since the outbreak of the European war. A significant change in atmosphere, however, had occurred since the first conference, held at Panama City from September 23 to October 3, 1939. At Panama the delegates had been primarily concerned with measures designed to strengthen their neutrality and to minimize the economic effects of war on this hemisphere. At Havana, while the delegates were still concerned with peace and neutrality, the emphasis shifted to problems of hemisphere defense. The German invasion of Denmark, Norway and the Low Countries, the collapse of France, and the threatened *Blitzkrieg* against Great Britain had brought the war considerably closer to the Americas, in a political as well as an economic sense: politically, because Danish, Dutch and French possessions in this hemisphere were no longer controlled by “friendly” democracies;¹ economically, because the expansion of the war area had steadily curtailed Latin American export markets. Moreover, an alarming extension of Nazi activities in Latin America added to fears that Germany, once it had consolidated its power in Europe, would seek economic or political domination of this area. The Havana conference consequently met under circumstances far more grave than those confronting any previous Pan-American conference.

The Second Meeting of Foreign Ministers, as well as the first, utilized the machinery for consultation set up at Buenos Aires in 1936 and Lima in 1938.² A resolution (No. XII) approved at the

Panama meeting recognized the possibility “that the war may continue for a more or less extended period, and the state of emergency which now exists may, a year hence, have become accentuated,” and consequently suggested a second meeting of Ministers of Foreign Affairs at Havana “on October 1, 1940, without prejudice to an earlier meeting if this should be found necessary.”³ The rapid development of the war crisis in Europe emphasized the necessity for early action, and on June 19 Under-Secretary of State Welles announced the calling of an emergency conference of Foreign Ministers.⁴ Within a few days, the twenty Latin American republics accepted the invitation and, after an unsuccessful attempt to arrange an earlier meeting, the date was set for July 21. Meanwhile, several important steps had been taken by the United States which tended to indicate the course of action at Havana:

1. Secretary of State Hull on June 17 instructed the American Chargé at Berlin and the Ambassador at Rome to inform Germany and Italy that “the United States would not recognize any transfer, and would not acquiesce in any attempt to transfer, any geographic region of the Western Hemisphere from one non-American power to another non-American power.”⁵ The French, British and Dutch governments were also notified. Greenland; the Guianas; British Honduras; British, French and Dutch possessions in the West Indies; and St. Pierre and Miquelon were the principal territories concerned.

2. Both houses of Congress passed a resolution reaffirming the Monroe Doctrine and containing a similar “hands off” warning.⁶ The resolution also stated that the United States would consult immediately with the other American republics on measures necessary to protect their interests.

3. Under Administration sponsorship, the scope of economic cooperation with the Latin American republics was vastly enlarged. Various plans for the “economic defense” of this hemisphere were advanced, culminating in President Roosevelt’s announcement on June 22 of a program providing for “an effective sys-

1. Cf. A. R. Elliott, “European Colonies in the Western Hemisphere,” *Foreign Policy Reports*, August 15, 1940.

2. Cf. C. G. Fenwick, “The Buenos Aires Conference: 1936,” *Foreign Policy Reports*, July 1, 1937, p. 92; and C. A. Thomson, “Results of the Lima Conference,” *Foreign Policy Reports*, March 15, 1939.

3. U.S. Department of State, *Bulletin*, October 7, 1939, p. 331.

4. *The New York Times*, June 20, 1940.

5. U.S. Department of State, *Bulletin*, June 22, 1940, pp. 681-82.

6. *The New York Times*, June 18, 19, 1940.

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tem of joint marketing of the important staple exports of the American Republics.”⁷ According to the President, the Administration intended to “proceed promptly and vigorously through many existing agencies to deal with the various immediate difficulties now facing some American Republics.”

4. Edwin C. Wilson, United States Minister to Uruguay, at a luncheon in honor of the officers of the United States cruiser *Quincy* on June 23, supplemented the President's pledge in the following words: “I am authorized to state that it is the intention and avowed policy of my Government to cooperate fully, whenever such cooperation is desired, with all of the other American governments in crushing all activities which arise from non-American sources and which imperil our political and economic freedom.”⁸ It is significant that the United States chose to enunciate this policy in a small, poorly armed country remote from the boundaries of the United States, which had just been shaken by the discovery of a Nazi plot to seize control of its government.⁹

The agenda of the Havana meeting, transmitted in its tentative form to the governments of the American republics by the Governing Board of the Pan American Union on June 29, was couched in very general terms.¹⁰ It fully reflected, however, the crisis in European affairs and the rapid development of a new conception of Pan-American cooperation. The first part of the three-section agenda dealt with neutrality, the specific points being: “(1) The examination of the pertinent recommendations of the Inter-American Neutrality Committee. (2) The examination, in the light of present circumstances, of the standards of neutrality set forth in the third article of the General Declaration of Neutrality of the American Republics.”¹¹ (3) Exchange of information on activities which may develop within the territory and jurisdiction of any American Republic that tend to endanger the common American democratic ideal. (4) Consideration of the humanitarian activities which . . . can be and should be conducted . . . in the American Republics for the benefit of the victims of the European war.”

Section II of the agenda—Protection of the Peace of the Western Hemisphere—provided for the “study . . . of the problems which may confront the American Republics in case the sovereignty now exercised by non-American states over geographic regions of the Americas is relinquished,

lapses, or is materially impaired.” Section II also provided for “examination of [the] measures . . . to insure the attainment of the objectives set forth in the Joint Declaration of Continental Solidarity, the General Declaration of Neutrality, the Declaration of Panama, and the consideration of the problems of continental security”; and “examination of the machinery of inter-American consultation created by the Buenos Aires and Lima Conferences, with a view to determining the steps which might be taken to increase its effectiveness.”

In the sphere of economic cooperation, the agenda was limited to (1) “Consideration of the measures which have already been proposed by the Inter-American Financial and Economic Advisory Committee”; and (2) “Examination of additional measures the adoption of which may be desirable under present circumstances or which it may be desired to refer to the Inter-American Financial and Economic Advisory Committee for immediate analysis and recommendation.”

ORGANIZATION OF THE CONFERENCE

All twenty-one of the American republics were represented at the Havana meeting, although but ten delegations were headed by the Foreign Ministers of the respective governments. Of the South American countries, only Colombia, Ecuador and Paraguay sent the heads of their Foreign Offices—a fact which, prior to the opening of the meeting, gave rise to considerable pessimism regarding its outcome. The absence of the Foreign Ministers of Argentina, Brazil, Chile and several other Latin American nations from the conference, however, was motivated not by lack of interest in the deliberations, but by reluctance to leave their posts at a time of periodic crises in world affairs.

The United States delegation was headed by Secretary of State Cordell Hull, who was assisted by the following advisers: Adolf A. Berle, Assistant Secretary of State; William Dawson, Ambassador to Panama; Green H. Hackworth, Legal Adviser, Department of State; Léo Pasvolsky, Special Assistant to the Secretary of State; Laurence Duggan, Chief, Division of the American Republics, Department of State; Harry D. White, Director of Monetary Research, Department of the Treasury; Grosvenor M. Jones, Assistant Director, Bureau of Foreign and Domestic Commerce, Department of Commerce; and Leslie A. Wheeler, Director, Office of Foreign Agricultural Relations, Department of Agriculture. The large number of economic experts on the American delegation testified to the importance which the Administration attached to the “economic defense” of the Western Hemisphere.

7. *Ibid.*, June 24, 1940.

8. U.S. Department of State, *Bulletin*, July 20, 1940, p. 35.

9. Cf. *The New York Times*, June 24, 1940.

10. For full text of the tentative agenda, cf. U.S. Department of State, *Bulletin*, June 29, 1940, pp. 705-706. The agenda as finally approved contained only one minor change. Cf. *ibid.*, July 6, 1940, p. 11.

11. Adopted at the Panama meeting on October 3, 1939. For text, cf. U.S. Department of State, *Bulletin*, October 7, 1939.

The conference was formally inaugurated at a public meeting held in the Hall of Sessions of the House of Representatives on the afternoon of July 21. In accordance with custom, the Secretary of State of Cuba and head of the Cuban delegation, Dr. Miguel Angel Campa, assumed the Provisional Presidency,¹² which was confirmed at the first plenary session on the following day. This brief session closed with a formal address of welcome by the President of Cuba, Dr. Federico Laredo Bru.¹³ At the first ordinary session, five committees were created: Credentials, Coordination, Neutrality, Preservation of Peace in the Western Hemisphere, and Economic Cooperation.¹⁴ The United States was represented on the Committees for Coordination and for the Preservation of Peace.¹⁵ The first public plenary session—distinguished chiefly by the address of Secretary Hull—was held on July 22, and thereafter the real work of the delegates began.

In all, 44 projects of resolutions, conventions and declarations were presented by the delegates to the various committees for consideration.¹⁶ The meeting approved 26 resolutions, declarations and recommendations, in addition to the Convention dealing with European possessions in the Western Hemisphere which requires ratification by two-thirds of the American republics before coming into force. One of the resolutions approved made various modifications and improvements in the procedure on consultation, and designated Rio de Janeiro, Brazil, as the seat of the third meeting of Ministers of Foreign Affairs of the American republics. No definite time, however, was set for this conference.

EUROPEAN POSSESSIONS IN THE WESTERN HEMISPHERE

The focal point of interest at the Havana meeting was the thorny question of European possessions in the Western Hemisphere. Before the conference the United States, by diplomatic and legislative action, had proclaimed its firm determination to prevent any transfer of such possessions from one non-American power to another. This re-affirmation of the Monroe Doctrine, however,

dealt with only one phase of the problem—that of actual transfer of sovereignty, which Germany might never attempt. In the interests of Pan-American solidarity, the unilateral action of the United States needed to be “continentalized” by formulation of a common inter-American policy with respect to European possessions in this hemisphere. Secretary Hull, in his address before the conference on July 22, stated that the United States endorsed the suggestion for “the establishment of a collective trusteeship, to be exercised in the name of all the American Republics.”¹⁷ In addition to rejecting the principle that collective trusteeship “carry with it any thought of the creation of a special interest by any American Republic,” Mr. Hull suggested that “as soon as conditions permit, the region should be restored to its original sovereign or be declared independent when able to establish and maintain stable self-government.”

Mr. Hull, in his address, stressed the immediacy of the problem. He was followed by Dr. Leopoldo Melo, the Argentine delegate, who warned that efforts to formulate in advance solutions for all problems would be vain.¹⁸ Dr. Melo’s remarks were not intended as a reply to Secretary Hull’s proposals, but foreshadowed the difference of opinion on the question of European possessions which became pronounced during the following days. The chief point at issue was the urgency of the question. Argentina counseled caution. In effect, Dr. Melo argued that there was no need for haste, that when a crisis arose it should be dealt with only on a juridical basis, and that, in any event, the population of the areas affected should be consulted before any action was taken.¹⁹ The Argentines also contended that, under the circumstances, the act of assuming administration over a given European colony might be tantamount to an act of war, which only the Argentine Congress could declare. The United States mandate, or collective trusteeship, plan, presented in its first rough form on July 23, thus became the only real issue at the conference. For several days a deadlock threatened, but on July 27, when it became evident that Argentina stood alone in opposition to the agreement, a compromise was effected, largely through the personal efforts of Secretary Hull.²⁰ Virtually the sole concession made to the Argen-

12. For a full account of the proceedings of the Havana meeting, cf. *Diario de Sesiones de la Segunda Reunión de Consulta entre los Ministros de Relaciones Exteriores de las Repúblicas Americanas* (hereafter referred to as *Diario*), issued daily by the Secretary General of the Conference, Dr. Cesar Salaya de la Fuente, and distributed to the delegates.

13. For text, cf. *Diario*, 22 de Julio de 1940.

14. For list of members, cf. *Diario*, 23 de Julio de 1940. The list is also contained in the Department of State, Press Release No. 364, August 3, 1940, *Final Act and Convention of the Second Meeting of the Ministers of Foreign Affairs of the American Republics* (hereinafter cited as *Final Act*).

15. *Diario*, 23 de Julio de 1940, p. 3.

16. For individual projects, cf. *ibid.*, 26 de Julio de 1940.

17. For Secretary Hull’s address, cf. U.S. Department of State, *Bulletin*, July 27, 1940.

18. “Pretender dictar fórmulas que les aseguren soluciones en sus múltiples aspectos, sería empeño vano, porque la magnitud de los sucesos y la rapidez en su desarrollo deja en seguida sin base a las hipótesis conjeturales.” Cf. *Diario*, 23 de Julio de 1940, pp. 20-21.

19. Cf. Harold B. Hinton, *The New York Times*, July 26, 1940; also Carlos J. Videla, *ibid.*, July 27, 1940.

20. Cf. *The New York Times*, July 28, 1940.

tine stand was the use of the phrase "provisional administration," instead of "mandate" or "joint protectorate."

The urgency of the territorial question was recognized in the unanimously approved Act of Havana, which supplemented a more elaborate formal Convention to be presented to the various governments for approval. The Act points out that "the status of regions in this continent belonging to European powers is a subject of deep concern to all of the Governments of the American Republics."²¹ This statement alone constitutes a *de facto* "continentalization" of the Monroe Doctrine. Recognizing that "the course of military events in Europe and the changes resulting from them may create the grave danger that European territorial possessions in America may be converted into strategic centers of aggression against nations of the American Continent," the Act declares "that when islands or regions in the Americas now under the possession of non-American nations are in danger of becoming the subject of barter of territory or change of sovereignty, the American nations . . . may set up a régime of provisional administration" under certain conditions. Among these conditions was the stipulation "that as soon as the reasons requiring this measure shall cease to exist," the possessions would either be made independent, provided they are capable of self government, "or be restored to their previous status, whichever of these alternatives shall appear the more practicable and just." Moreover, "this administration shall be exercised with the two-fold purpose of contributing to the security and defense of the Continent, and to the economic, political and social progress of such regions."

The Act of Havana provides for the creation of "an emergency committee, composed of one representative of each of the American Republics, which committee shall be deemed constituted as soon as two-thirds of its members shall have been appointed." This committee may meet at the request of any signatory and, "if it becomes necessary as an imperative emergency measure before the coming into effect of the convention approved by this Consultative Meeting . . . the committee shall assume the administration of the region attacked or threatened." Such emergency administration, however, would be transferred to the Inter-American Commission for Territorial Administration when the Convention comes into effect. One significant feature of the Act of Havana is the provision that, "should the need for emergency action be so urgent that action by the committee cannot be awaited, any of the American Republics, individu-

ally or jointly with others, shall have the right to act in the manner which its own defense or that of the continent requires."

The Convention signed by the delegates on July 29 is essentially an amplification of the principles laid down by the Act of Havana, and provides detailed legal machinery for the possible administration of existing European possessions on a semi-permanent basis. It will enter into force when ratified by two-thirds of the American republics. In the preamble to the Convention, the American republics state that no "transfer or attempt to transfer or acquire any interest or right in any such region [territories of non-American countries located in this hemisphere], directly or indirectly, would be recognized or accepted by the American Republics no matter what form was employed to attain such purpose." This firm stand was buttressed by the stipulation "that the American Republics, through their respective government agencies, reserve the right to judge whether any transfer or attempted transfer of sovereignty, jurisdiction, cession or incorporation of geographic regions in the Americas, possessed by European countries up to September 1, 1939, has the effect of impairing their political independence even though no formal transfer or change in the status of such region or regions shall have taken place."

The Convention provides for the provisional administration of European possessions by one or more American states when "a non-American State shall directly or indirectly attempt to replace another non-American State in the sovereignty or control which it exercised." Such administration "shall be exercised in the interest of the security of America and for the benefit of the region . . . until . . . the region is in a position to govern itself or is restored to its former status. . . . The first administration shall be granted for a period of three years; at the end of this period, if necessary, it shall be renewed for successive periods not longer than ten years." In case the revenues of the region are insufficient, "the deficit shall be met by the State or States which act as administrators." With these ends in view, provision is made for the creation of an Inter-American Commission on Territorial Administration, composed of one representative of each of the states ratifying the Convention. As in the case of the emergency commission, two-thirds of the members—or fourteen states—constitute a quorum.

The Act of Havana and the Convention represent the major achievement of the conference. The American nations are now in a position to act rapidly and effectively in the event that any change in the status of European colonies occurs or even threatens to occur. The Convention, how-

21. Cf. *Final Act*, cited.

ever, specifically exempts from its provisions "territories or possessions which are the subject of dispute or claims between European powers and one or more of the Republics of the Americas." The chief regions in this category are British Honduras and the Falkland Islands, which have long been in dispute between Guatemala and Argentina, respectively, and Great Britain.

ECONOMIC AND FINANCIAL COOPERATION

In terms of public interest, the question of European possessions in the Western Hemisphere—enlivened by a difference in the points of view of the United States and Argentina—tended to overshadow other matters of common concern to the Americas at the Havana meeting. The steps taken in the sphere of economic and financial cooperation, while less dramatic, are of great fundamental importance. The fact that a blanket plan of economic cooperation was not formulated to cover all contingencies in advance has been interpreted by some critics of the conference as a sign of indecision. Failure to draw up complete blueprints for cooperative action along economic lines, however, is in no sense attributable to lack of agreement concerning either the necessity for "economic defense" or the measures required to achieve it. The United States delegation was faced with the task of withdrawing from its position as presumptive guarantor of the economic well-being of all the Americas—an impression created in large part by public inflation of official declarations before the conference—and at the same time giving Latin America full assurance that the United States was capable of dealing effectively with any problem which might arise. It was recognized that, in a world situation which had become increasingly fluid, economic problems should be handled in accordance with the circumstances existing at a given time. Consequently, the program for economic and financial cooperation, which has been a matter of special concern to the Washington Administration, was left quite flexible.

In his address before the conference on July 22, Secretary Hull laid particular stress on economic problems growing out of the war, asserting that "the American nations must and should do everything in their power to strengthen their own economic position, to improve further the trade and other economic relations between and among themselves, and to devise and apply appropriate means of effective action to cope with the difficulties, disadvantages, and dangers of the present disturbed and dislocated world conditions."²² Mr.

Hull recommended a four-point program of "immediate cooperative action" which formed the basis for the resolution ultimately adopted. The broad outline submitted by the Secretary embodied the following points:

"1. Strengthening and expansion of the activities of the Inter-American Financial and Economic Advisory Committee as an instrument for continuing consultation with respect to trade matters.

"2. Creation of facilities for the temporary handling and orderly marketing of accumulated surpluses of those commodities which are of primary importance to the maintenance of the economic life of the American republics.

"3. Development of commodity agreements with a view to assuring equitable terms of trade for both producers and consumers of the commodities concerned.

"4. Consideration of methods for improving the standard of living of the peoples of the Americas."

No mention was made of the gigantic cartel, or marketing board, plan which had been prominently discussed in the press during the six weeks prior to the conference.²³ This plan evidently had been discarded before the conference, although it was not officially abandoned until August 9.²⁴ On the day that Secretary Hull made his recommendations it became known that President Roosevelt had requested the Congress to "give prompt consideration to increasing the capital and lending power of the Export-Import Bank of Washington by \$500,000,000, and removing some of the restrictions on its operations to the end that the Bank may be of greater assistance to our neighbors south of the Rio Grande, including financing the handling and marketing of some part of their surpluses."²⁵ A plan of economic cooperation and the means for implementing it were thus presented at the same time.

In Part One of the resolution adopted on economic and financial cooperation, the delegates declared that the "American nations continue to adhere to the liberal principles of international trade," which would be applied "in their relations with each other as fully as present circumstances permit." It was further declared that "the American nations should be prepared to resume the conduct of trade with the entire world in accordance with these principles as soon as the non-American nations are prepared to do likewise." This section was designed to counteract the impression that the American nations were planning to create a combine which would "freeze out" German trade with

22. Cf. U.S. Department of State, *Bulletin*, July 27, 1940, p. 44.

23. Cf., for example, *The New York Times*, June 18, 1940.

24. Cf. *ibid.*, August 10, 1940.

25. U.S. Department of State, *Bulletin*, July 27, 1940, p. 41.

this hemisphere. Germany, however, would have to trade with the Americas in accordance with "liberal principles," which have been in direct opposition to Nazi trading methods. Consequently this section, far from leaving the door open for German participation, represents a direct challenge to Germany to trade on American terms or not at all.

Part Two provides for the strengthening and expansion of the activities of the Inter-American Financial and Economic Advisory Committee in accordance with the Hull proposal, "having in mind especially the immediate situations which must be met as a result of the curtailment and changed character of important foreign markets." It is evident that this committee, created by the Panama Meeting of Foreign Ministers, is destined to play a key rôle in working out the details of the program which was laid down only in broad outlines at the Havana conference. In its work, the Financial and Economic Advisory Committee will have the cooperation of other existing agencies, such as the Inter-American Bank, the Inter-American Development Commission, and the Export-Import Bank.

Part Three of the resolution specifically instructs the Committee:

"(a) To cooperate with each country of this continent in the study of possible measures for the increase of the domestic consumption of its own exportable surpluses;—(b) To propose to the American nations immediate measures and arrangements of mutual benefit tending to increase trade among them;—(c) To create instruments of inter-American cooperation for the temporary storing, financing and handling of any such [surplus] commodities and for their orderly and systematic marketing;—(d) To develop commodity arrangements with a view to assuring equitable terms of trade for both producers and consumers of the commodities concerned;—(e) To recommend methods for improving the standard of living of the peoples of the Americas;—(f) To establish appropriate organizations for the distribution of a part of the surplus of any such commodity, as a humanitarian and social relief measure;—(g) To consider . . . the desirability of a broader system of inter-American cooperative organization in trade and industrial matters, and to propose . . . measures . . . which may be immediately necessary in the fields of economics, finance, money, and foreign exchange."

Perhaps the most important sections of this part of the resolution are (c) and (d), since they indicate a determination that the existence of surpluses shall not weaken the bargaining position of individual nations. In a sense, this is the keynote of the whole economic program, at least so far as its emergency aspect is concerned. The United States may not be prepared to underwrite all Latin

American export products, but it is preparing to take what action might be necessary to insure equitable terms to the Latin American producer.

The final part of the resolution recommends that, "in order to promote the economic development of the American nations under the terms of said resolution, each nation, upon its own initiative and in consonance with the program of the Inter-American Development Commission, establish appropriate enterprises with government or private capital provided by two or more American Republics." Although couched in general—even vague—terms, this paves the way for a long-term development program designed to diversify agricultural and industrial production, both for the domestic and the United States market. The provision for participation of at least two American nations in the capital of any enterprise provides further evidence that the day of purely exploitative investments by foreign capital in Latin America is over.

NEUTRALITY AND FOREIGN ACTIVITIES

The Committee on Neutrality, under the chairmanship of Dr. Leopoldo Melo, the Argentine delegate, took under consideration nineteen projects, referred to it by the Secretary General of the Conference.²⁶ In the first place, this Committee received for examination the recommendations and resolutions approved by the International Neutrality Committee in Rio de Janeiro relative to (a) internment; (b) naval auxiliaries of belligerent fleets; (c) admission of submarines into the ports and territorial waters of the American states; (d) inviolability of mails; (e) telecommunications; and (f) the security zone.²⁷ These recommendations and resolutions were considered in conjunction with projects submitted by Venezuela on "unification of the standards of neutrality"; by the Dominican Republic on submission of the Neutrality Committee's recommendations directly to the American governments; by Ecuador on "organization and number of members of the Inter-American Neutrality Committee"; by the same country on the incorporation of the Committee's recommendations and resolutions in the legislation of the American states; and by Brazil and Ecuador on extending a vote of thanks to the Inter-American Neutrality Committee.²⁸ These projects and recommendations were coordinated into a single resolution on the Inter-American Neutrality Com-

26. For a brief discussion of the individual projects, cf. *Diario*, 26 de Julio de 1940 and 29 de Julio de 1940.

27. *Ibid.*, 29 de Julio de 1940. The Neutrality Committee's recommendation on the security zone was the only one to receive specific treatment in the resolution adopted by the conference.

28. *Ibid.*

mittee which, in effect, referred back to it most questions relating to neutrality.²⁹

This measure was overshadowed in importance by the steps taken to check foreign activities in the Americas. The Committee on Neutrality was charged with the consideration of projects designed to protect the Western Hemisphere against "Fifth Columns," the most important being that submitted by the United States on the suppression of activities directed from abroad against domestic institutions. In addition, both the United States and Uruguay presented projects designed to prevent political activities on the part of consular and diplomatic agents, while Argentina advanced a plan for the coordination of police and judicial measures. In the same sphere, Cuba proposed precautionary measures with reference to the issuance of passports.³⁰ These projects all received the approval of the conference.

The United States project, unanimously approved in the form of a resolution, provides that "each one of the Governments of the American Republics shall adopt within its territory all necessary measures in accordance with its constitutional powers to prevent and suppress any activities directed, assisted or abetted by foreign governments, or foreign groups or individuals, which tend to subvert the domestic institutions, or to foment disorder in their internal political life, or to modify by pressure, propaganda, threats, or in any other manner, the free and sovereign right of their peoples to be governed by their existing democratic systems."³¹ Immediate consultation is provided "in the event that the peace of any of the American Republics is menaced by such activities," but only in the event that "the State directly interested wishes to request it." The latter provision has been regarded by some critics as a possible loophole, since a state economically or politically dominated by Nazi Germany, for example, would hardly request aid to dislodge its master. The most immediate and practical value of this resolution may well lie in the provision for the "fullest interchange of information" between the American republics on foreign activities.

CONCLUSION

The work of the Havana Meeting of Foreign Ministers can be appraised only in the broadest

terms. As an example of smoothly operating consultative machinery, it has no parallel in the history of inter-American cooperation. Yet, for the most part, the conference produced agreements in principle which remain to be converted into active instruments of policy. In a sense, therefore, this conference merely paved the way for future action. By doing this, however, it performed an extremely important function, and fulfilled the major purpose of the delegates.

For the time being, the outstanding achievement at Havana appears to be the agreement reached on European possessions. Critics of the conference contend that this agreement, in effect, "legalizes United States intervention" in the affairs of these possessions and permits imperialistic expansion at the expense of European countries preoccupied with war. Undoubtedly the powers embodied in the Act of Havana could be misused by American nations strong enough to do so, but only at the cost of shattering the structure of Pan-American solidarity slowly and carefully erected over a period of years. This unity, buttressed by effective means of political and economic cooperation, is of more lasting value to the United States than any immediate imperialistic gains.

From the long-run point of view, when the principles and objectives formulated at Havana have been translated into action, it is possible that the program of economic and financial cooperation outlined at the conference will prove of even greater importance than the agreement regarding European possessions. At present, however, the methods of dealing with economic and financial problems are not yet clear. The American nations are determined to defend themselves against German economic penetration by measures that will assure them equality of bargaining power. Instead of erecting an economic Maginot Line as a bulwark against German penetration, they are planning to create a "flying squadron" system of defense to deal with specific problems as they arise. Since the action taken in any given case will be determined by existing circumstances, the economic defense program cannot be analyzed in advance, but it is already rapidly gaining momentum.

At Havana the Americas definitely accepted the challenge of totalitarianism. They sought to prove their ability to create, by democratic methods, sufficient economic, political and military strength to insure their own survival. The platform on which they have taken their stand has been written and accepted. It remains to be put into force.

29. Cf. *Final Act*, cited.

30. For a discussion of these and other projects submitted to the Committee on Neutrality, cf. *Diario*, 27 de Julio de 1940.

31. *Ibid.*

The October 1 issue of FOREIGN POLICY REPORTS will be

JAPAN'S DRIVE INTO SOUTHEAST ASIA

By T. A. Bisson